

EXHIBIT 7

M & S Texaco (2619 S. East Avenue)

- ASR Engineering, Inc., Semi-Annual Groundwater Monitoring and Wastewater Drum Disposal Documentation Report, Fall 2009 and Spring 2010
- No Further Action Letter addressed to Mr. Paul Dhillon from the California Valley Regional Water Quality Control Board (Mar. 20, 2012)



MATERIAL TESTING

3629 W. Gettysburg Ave. - Fresno, CA 93722
Phone: (559) 271-5260 - Fax (559) 271-5267
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SEMI-ANNUAL GROUNDWATER MONITORING AND
WASTEWATER DRUM DISPOSAL DOCUMENTATION REPORT
FALL 2009 AND SPRING 2010

M&S TEXACO
2619 S. EAST AVENUE
FRESNO, CALIFORNIA

Prepared for:
Mr. Henry J Medina
Fleet Card Fuels
4200 Buck Owens Boulevard
Bakersfield, California 93308

Prepared by:
ASR Engineering, Inc.
3629 West Gettysburg Avenue
Fresno, California 93722
(559) 270-5260

Job No. 9715029
May 11, 2010

2.0 SITE LOCATION AND DESCRIPTION

M&S Texaco is located at 2619 S. East Avenue, near the intersection of Jensen and South East Avenues in Fresno, California (see Figure 1, Vicinity Map). It occupies a portion of the northeast quarter of Section 22, Township 14 South, Range 20 East, Mount Diablo Base and Meridian. The Assessor Parcel Number for the site is 328-200-27S. Ground surface elevation in the vicinity of the site is about 280 feet.

The subject site is used as a service station. A Mini Mart building is located near the north-central portion of the site. A canopy structure is located near the southwest portion and a Subway fast food restaurant is situated near the west portion of the site.

Five (5) underground storage tanks (USTs) and their associated dispensers had been excavated from the subject site. The former USTs (one (1) 8,000-gallon and two (2) 10,000-gallon gasoline and one (1) 10,000-gallon diesel) and their associated dispensers and product lines were excavated from the eastern half of the site. A waste oil UST was excavated from an area near the east corner of the Subway restaurant. Since hydrocarbon constituents were not detected in the confirmation soil sample collected following excavation of the waste oil UST, the excavation was backfilled. Six (6) dispensers were also excavated from beneath the canopy located approximately 30 feet southeast of the waste oil UST.

New USTs have been installed west of the location of the former USTs. New dispensers and product lines have also been installed to the east and west of the new USTs.

The site is secured by chain-linked fences along its north boundary. The ground surface within the USTs and the dispenser areas is concrete paved. The rest of the site is asphalt paved.

The property is owned by:

Glenn and Shirley Prickett
3650 East Huntington Boulevard
Fresno, California 93702
(559) 233-4123

The service station was operated by:

Paul Dhillon
2619 South East Avenue
Fresno, California 93706
(559) 485-9101

The service station is currently operated by:

Fleet Card Fuels
4200 Buck Owens Boulevard
Bakersfield, California 93308

3.0 GROUNDWATER MONITORING

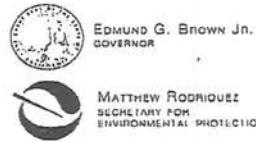
3.1 Groundwater Elevation Measurements

Groundwater level was measured in the monitoring wells from a marked reference point on top of the well casing.

In order to assess the direction of groundwater flow, elevations of the top of the casings in Monitoring Wells MW-1 through MW-5 were established, in reference to the mean sea level (MSL), by Smith and Co. Surveying Services, Inc., and Advanced Geomantic Engineering, Inc. surveyed elevation of the top of the casings in Monitoring Wells MW-1 and MW-6 through MW-9, with respect to MSL. There was a difference of 0.26 feet in elevation of the top of the casing of Monitoring Well MW-1 between the two (2) surveying events. Therefore, elevations of the top of the casings in Monitoring Wells MW-2 through MW-5 were adjusted by 0.26 feet. Monitoring Wells MW-10 through MW-12 were surveyed by ASR with respect to existing monitoring wells.

Based on the survey data and groundwater level measurements, groundwater elevations in the wells were determined. Table 1 presents the reference point elevation, groundwater depth, and groundwater elevation for the monitoring events to date. From the data in Table 1, in reference to the MSL, groundwater elevation in the monitoring wells varied from 203.00 feet in Monitoring Well MW-11 to 204.62 feet in Monitoring Well MW-10 on November 11, 2009. From the data in Table 1, groundwater flow direction and gradient were determined (see Figure 3, Groundwater Contour Lines; November 11, 2009). As shown on Figure 3, on November 11, 2009, approximate groundwater flow direction was to the Southwest with a gradient of approximately 0.0225 ft/ft.

Also from the data in Table 1, in reference to the MSL, groundwater elevation in the monitoring wells varied from 205.61 feet in Monitoring Well MW-11 to 207.22 feet in Monitoring Well MW-10 on April 29, 2010. From the data in Table 1, groundwater flow direction and gradient were determined (see Figure 4, Groundwater Contour Lines; April 29, 2010). As shown on Figure 4, on April 29, 2010, approximate groundwater flow direction was to the Southwest with a gradient of approximately 0.0220 ft/ft.



Central Valley Regional Water Quality Control Board

20 March 2012

Mr. Paul Dhillon
M&S Texaco
2619 South East Avenue
Fresno, CA 93706

**NO FURTHER ACTION REQUIRED, UNDERGROUND STORAGE TANK RELEASE,
M & S TEXACO, 2619 SOUTH EAST AVENUE, FRESNO, FRESNO COUNTY,
RB CASE 5T10000652**

Dear Mr. Dhillon,

This letter confirms the completion of site investigation and remedial action for the underground storage tank formerly located at the above-described location. Thank you for your cooperation throughout this investigation. Your willingness and promptness in responding to our inquiries concerning the former underground storage tank is greatly appreciated.

Based on the information in the above-referenced file and with the provision that the information provided to this agency was accurate and representative of site conditions, this agency finds that the site investigation and corrective action carried out at your underground storage tank site is in compliance with the requirements of subdivisions (a) and (b) of Section 25296.10 of the Health and Safety Code and with corrective action regulations adopted pursuant to Section 25299.3 of the Health and Safety Code and that no further action related to the petroleum release(s) at the site is required.

This notice is issued pursuant to subdivision (g) of Section 25296.10 of the Health and Safety Code.

Claims for reimbursement of corrective action costs submitted to the Underground Storage Tank Cleanup Fund more than 365 days after the date of this letter or issuance or activation of the Fund's Letter of Commitment, whichever occurs later, will not be reimbursed unless one of the following exceptions applies:

1. Claims are submitted pursuant to Section 25299.57, subdivision (k) (reopened UST case); or
2. Submission within the timeframe was beyond the claimant's reasonable control, ongoing work is required for closure that will result in the submission of claims beyond that time period, or that under the circumstances of the case, it would be unreasonable or inequitable to impose the 365-day time period.

KARL E. LONGLEY ScD, P.E., CHAIR | PAMELA C. CREEDON, EXECUTIVE OFFICER

1685 E Street, Fresno, CA 93706 | www.waterboards.ca.gov/centralvalley

Mr. Paul Dhillon

- 2 -

20 March 2012

If you have questions about this letter, you may call Jeff Hannel at (559) 445-6193.

PAMELA C. CREEDON
for PAMELA C. CREEDON
Executive Officer

Enclosure: Memorandum

cc: Mr. Steve Rhodes, Fresno County Department of Community Health, Fresno
Ms. Barbara Rempel, SWRCB, UST Cleanup Fund, Sacramento
Mr. Saboor Rahim, ASR, Fresno
Ms. Roseman Rife, Fleet Card Fuels, Bakersfield



Central Valley Regional Water Quality Control Board

TO: Daniel L. Carlson *D.L.C.*
Senior Engineering Geologist

Lonnie M. Wass *lw*
Supervising Engineer

Clay L. Rodgers
Assistant Executive Officer

FROM: Jeffrey W. Hannel *JWH*
Engineering Geologist
PG 5640, CHG 649

DATE: 20 March 2012

SUBJECT: CASE CLOSURE SUMMARY, UNDERGROUND STORAGE TANK RELEASE,
M & S TEXACO, 2619 SOUTH EAST AVENUE, FRESNO, FRESNO COUNTY,
RB CASE NO. 5T10000652

Background

In October 1997, one 8,000-gallon gasoline, two 10,000-gallon gasoline, one 10,000-gallon diesel, and one 500-gallon waste oil underground storage tank (UST) were removed from the subject site. Total petroleum hydrocarbons as gasoline (TPHg), benzene, and methyl tertiary butyl ether (MTBE) were detected in soil as high as 20,000 milligrams per kilogram (mg/kg), 100 mg/kg, and 2,700 mg/kg, respectively. Total petroleum hydrocarbons as diesel (TPHd) were detected in three soil samples, though two of those samples were noted to have non-diesel chromatograms. Approximately 650 cubic yards of impacted soils were temporarily stockpiled onsite and later removed for disposal.

In December 1997, six soil borings (B-3 through B-8) were advanced to depths of approximately 50 to 60 feet below ground surface (bgs). Petroleum hydrocarbons were detected in most of the soil samples analyzed, with TPHg, benzene, and MTBE detected as high as 43,000 mg/kg, 390 mg/kg, and 10,000 mg/kg, respectively. All but one sample that had detectable concentrations of TPHd were noted to have non-diesel chromatograms.

In December 1999 and March 2000, five groundwater monitoring wells (MW-1 through MW-5) and five soil vapor extraction (SVE) wells (VE-1 through VE-5) were drilled and installed at the site. Soil samples were collected from each of the borings and selected soil samples were analyzed for TPHg, BTEX, TPHd, for volatile organic constituents (including lead scavengers and fuel oxygenates), and/or total lead. TPHg and benzene were detected as high as 6,600 mg/kg (MW-1 at 60 feet) and 9.6 mg/kg (VE-5 at 60 feet), respectively. Two samples

M & S Texaco

- 2 -

20 March 2012

returned detectable concentrations of TPHd; however, the laboratory report notes the results were inconsistent with the diesel standard. The groundwater monitoring wells were completed to depths of approximately 80 feet and constructed with 20-foot screened intervals.

The wells were initially monitored on 28 January 2000. The depth to water was about 69 feet bgs and the flow was to the northwest. The monitoring wells were initially sampled during March 2000. Elevated concentrations of petroleum constituents were detected in each of the wells. TPHg and benzene were detected as high as 160,000 micrograms per liter ($\mu\text{g}/\text{L}$) and 34,000 $\mu\text{g}/\text{L}$, respectively, in the sample collected from MW-3. The sample collected from MW-3 also contained 1,2-dichloroethane (1,2-DCA) and ethylene dibromide (EDB) at 1,500 $\mu\text{g}/\text{L}$ and 28 $\mu\text{g}/\text{L}$, respectively.

Groundwater monitoring wells MW-6 through MW-9 were installed east, south, west, and northwest, respectively, of the subject site during May 2003. TPHg has been as high as 13,000 $\mu\text{g}/\text{L}$ in MW-8 west of the site, but had decreased to 270 $\mu\text{g}/\text{L}$ when last sampled in May 2007. MW-9, northwest of the site, had low concentrations of TPHg detected. However, the laboratory reports note that the chromatogram consists of a single unidentified peak and is a non-gasoline pattern.

SVE wells VE-1, VE-2, and VE-3 were completed as nested wells with screened intervals from approximately 10 to 30 feet, 28 to 48 feet, and 48 to 68 feet bgs. VE-4 and VE-5 were constructed with screened intervals from 48 to 68 feet bgs. An SVE pilot test was performed during March 2000 using an internal combustion engine. TPHg, benzene, and MTBE were detected in the extracted vapor at concentrations as high as 180,000 $\mu\text{g}/\text{L}$, 3,900 $\mu\text{g}/\text{L}$, and 20,000 $\mu\text{g}/\text{L}$, respectively. Hydrocarbon removal rates were estimated to average 1,060 pounds per day.

In May 2001, four additional SVE wells (VE-6 through VE-9) were drilled and installed at the site. Soil samples collected from the well borings returned maximum concentrations of TPHg and benzene at 1,300 mg/kg and 3.4 mg/kg, respectively. Well VE-6 was completed as a nested well with screened intervals from approximately 25 to 40 feet and 45 to 60 feet bgs. VE-7, VE-8, and VE-9 were constructed with screened intervals from 48 to 63 feet bgs.

Soil vapor extraction commenced at the site during February 2002 using an internal combustion engine. Initial concentrations of TPHg in the extracted vapor were 73,000 $\mu\text{g}/\text{L}$ during February 2002, which increased to 120,000 $\mu\text{g}/\text{L}$ during May 2002. Operation of the internal combustion engine was terminated in February 2004. A thermal oxidation unit was installed and soil vapor extraction resumed September 2004. At that time the TPHg concentration in the extracted vapor was 28,000 $\mu\text{g}/\text{L}$ and the unit was extracting about 600 pounds of gasoline per day. The concentration of gasoline in the extracted vapor has slowly decreased. During the most recent monitoring event in September 2010, TPHg was 810 $\mu\text{g}/\text{L}$ in the extracted vapors. No benzene has been detected in the extracted vapor since February 2007. Soil vapor extraction has removed about 244,000 pounds of gasoline. Less than 500 pounds of gasoline are expected to remain in the subsurface.

Concentrations of gasoline have slowly decreased in groundwater. However, due to a declining water table, the initial five wells were dry by December 2005 and all of the wells were dry by September 2007. Three additional wells were installed to greater depths during May and June 2008. The wells were sampled in July 2008 and the only petroleum hydrocarbon constituents detected were 2.2 $\mu\text{g}/\text{L}$ MTBE and 0.63 $\mu\text{g}/\text{L}$ 1,2-DCA detected in MW-10. The wells were

M & S Texaco

- 3 -

20 March 2012

sampled in August 2008 and November 2008 and low concentrations of petroleum hydrocarbon constituents were detected in MW-10 and MW-11. No petroleum hydrocarbons have been detected in groundwater since November 2008.

The closest domestic or municipal well is a City of Fresno municipal well about ½-mile south of the site.

Three soil vapor monitoring points were installed during May 2011. Each monitoring point had sampling probes set at depths of 5 and 15 feet. SVMP-1 was installed at the western dispenser, SVMP-2 was installed at the central dispenser, and SVMP-3 was installed adjacent to the onsite mini-mart. Soil samples were collected from depths of 5 and 15 feet during installation of the monitoring probes and submitted for laboratory analyses. Gasoline constituents were detected in SVMP-1 with TPHg being 26 mg/kg at 5 feet and 1,200 mg/kg at 15 feet. No benzene or fuel oxygenates or lead scavengers were detected. The other borings did not contain detectable concentrations of petroleum hydrocarbons. Soil vapor samples were collected from each of the probes. Petroleum hydrocarbon constituents were detected in samples collected from each of the probes. TPHg was as high as 9,400 parts per billion (ppb) in SVMP-3 at a depth of 15 feet. The highest TPHg in SVMP-2 was 530 ppb at a depth of five feet; and the highest TPHg in SVMP-1 was 3.8 ppb at a depth of five feet. California Human Health Screening Levels (CHHSLs) were not exceeded in any of the samples. However, the detection limits for benzene exceeded the CHHSLs in the 15-foot sample from SVMP-3. The detection limit for benzene was below the CHHSLs limit in all other samples.

The responsible party provided a list of property owner names and mailing addresses, business and residence mailing addresses, and assessors' parcel numbers for all properties overlying and adjacent to properties overlying soil and groundwater historically impacted by the UST release. Those individuals and businesses were subsequently contacted and allowed to comment on the pending site closure. No comments were received. The groundwater monitoring and soil vapor extraction wells were subsequently destroyed per Fresno County and City of Fresno requirements.

Conclusions

The majority of the petroleum hydrocarbons released at the site have been removed. Since the site is an operating gas station, the residual petroleum hydrocarbon vapors detected at the dispenser islands will not pose an increased health risk to the public. The residual levels of petroleum hydrocarbons in soil are not sufficient to cause health concerns for the public and are not a threat to beneficial uses of groundwater. Natural attenuation of residual petroleum hydrocarbons is expected to occur over time. I recommend that a standard underground storage tank site closure letter be mailed to the responsible parties.